

Checklist for Module 3 - Policy and Planning

Toolkit Section	Key Tasks	Comments
• Sector planning and Strategy	Integration of highway sector planning and investment planning.	Overall, note the importance of institutional structures and linkages within concerned highway planning, funding and implementation (delivery) agencies
○ Planning and policy making	Highway development and maintenance plans	Programming at this stage prepares the basis for subsequent PPP project selection. Note that many high grade roads/expressways/freeways may not be initially suitable for tolling but nearly all high grade roads will have potential for some type of PPP whether BOT, concession, shadow toll/annuity/PBC (maintenance contract)
○ Sector Development	Prepare specific sector planning and programming including costs and investment.	This is the basis for the long list of projects evaluated further in Module 5 for the identification of PPP projects
Key Output	Sound policy, institutional and investment planning. Prepare 5 year program of all investment projects as well as toll/high grade highway road program	
• Economic Development and Public Interest	To provide the macro public sector framework for PPP development	Need to be clear on stronger but different role under PPP i.e. government as a facilitator not as a direct infrastructure provider.
○ The role and functions of the public sector	Provide understanding and basis for PPP	The many positive impacts of PPP in highway development not least more roads, safer roads and more efficient delivery and innovation
○ Promoting Positive Impacts	Plan and set up relevant frameworks	Recognise negative impacts; (mainly the same as non PPP roads, e.g. social, resettlement, environmental)
○ Mitigating negative impacts	Plan and set up relevant frameworks	Particular need to consider road safety at strategic and project level under both positive and negative impacts
○ Road Safety	Plan and set up relevant frameworks	Vital need for appropriate types and levels of consultation (see also Module 5)
○ Public Participation and Consultation	Plan and set up relevant frameworks	
Toolkit Section	Key Tasks	Comments
• PPP Policy Framework	List key elements and consult with relevant government institutions	Vital to have at least a basic framework that, <u>at least, allows</u> effective implementation on a project by project basis. Policy framework supports <u>both</u> the public and private sectors

o The Overarching PPP Policy Framework	Prepare basic PPP policy	Basic statement of intentions of government and how PPP is to be implemented, including the process and the players involved.
o Legal and Regulatory	Draft Key components	Effective and appropriate concession documents are the absolute minimum with inconsistent and contradictory laws removed/amended. At same time, steps towards an effective legal and regulatory framework should be set in motion.
o Risk Management Framework	Draft Key components	Risk is at heart of all PPPs and the principles of risk management framework should be clear at this stage noting that each project will have different risks, allocations and mitigations (Module 5).
o Financial Framework	Draft Key components	Policy towards PPP projects and especially government support.
o Institutional Framework and Reform	Draft Key components	Agencies and linkages between PPP agencies should be in place and described.
o Good Governance	Draft Key components	By introducing good governance principles, can start the sector on the road to reform. Corruption is a major constraint which impedes progress and/or makes projects much more expensive and/or less efficient.
		Vital to include effective dispute resolution mechanisms
o Capacity Building and Training	Draft Key components	Steps to improve governments' capacity for planning and implementation should be built into public sector PPP programs.
Key Output		Comprehensive Policy Framework